

**Visels Pharmacy  
714 Dixwell Ave  
New Haven, CT 06511  
203-562-6878**

**Testimony Submitted to the Insurance and Real Estate Committee**

**February 28, 2019**

**HB No. 7174: An Act Concerning Prescription Drugs**

**Testimony of Edmund J. Funaro, Jr.**

**Senator Lesser, Representative Scanlon and the distinguished members of the Insurance and Real Estate Committee**

My name is Edmund J. Funaro, Jr., Pharmacist and Director of Visels Pharmacy, New Haven, CT, a family owned and operated independent retail pharmacy, serving the community since 1913. I am submitting this testimony in support of prohibiting any health carrier or pharmacy benefits manager from recouping any portion of a claim that such carrier or manager has paid to a pharmacy or pharmacist proposed in section 5 of HB 7174, An Act Concerning Prescription Drugs.

Visels Pharmacy is located in the underserved Dixwell/Newhallville neighborhood of New Haven. We provide a vast array of pharmacy and convenience services including: medication therapy management, compliance packaging, immunizations, naloxone prescribing, home health supplies and free home delivery to our homebound patients. We have a staff of 18 full and part time employees, many hired from within the community we serve. We support many local community organizations and are considered an anchor business in this federally recognized Empowerment Zone.

The challenges to a small business are enormous and the economic pressures on an independent, community retail pharmacy are ever increasing. The negative reimbursement pressure from insurers and Pharmacy Benefit Managers (PBM's) due to improper prescription reimbursement caused by outdated generic maximum allowable cost (MAC) pricing and retroactive, opaque, direct and indirect remuneration (DIR) fees, are creating significant financial harm and are jeopardizing our ability to serve our patients and community. We cannot remain a viable business if we are not adequately reimbursed for the goods and services we provide.

**Visels Pharmacy  
714 Dixwell Ave  
New Haven, CT 06511  
203-562-6878**

PBM's are unregulated and contribute little benefit to the healthcare industry. Over the past few years we have seen an exponential increase in the use of DIR fees. These opaque fees are unfairly retroactively recouped from the pharmacy provider by the PBM and should be prohibited.

While this bill takes an important step regarding DIR fees and regulating these entities, other sections of this bill have the potential to be very harmful to community pharmacy. Ensuring pharmacies and pharmacists are properly reimbursed for their services is crucial in order for them to continue maintaining their high levels of service and care and providing tremendous value to Connecticut's health care system and economy.

On behalf of Visels Pharmacy and all independent community pharmacies in the State of Connecticut, I sincerely hope that the Insurance and Real Estate Committee will support fair and reasonable compensation to all pharmacies and prohibit any health carrier or pharmacy benefits manager from recouping any portion of a claim that has been paid to a pharmacy or pharmacist.

Thank you for your time and consideration.

Sincerely,

Edmund J. Funaro, Jr., R.Ph., MBA  
Director  
Visels Pharmacy  
714 Dixwell Ave  
New Haven, CT 06511  
203-562-6878  
visels@snet.net